in kharif can partially be offset by augmented production in rabi season. The following are some of the important measures taken to reduce the impact of deficit in rainfall:

(i) States were requested to prepare alternate plan for unsown/germination failed areas with short duration/alternate crops.

(ii) Use of Truthfully Labelled (TL) seeds, relaxation of age for seed varieties and distribution of minikits allowed under the Government Programmes (National Food Security Mission and Rashtriya Krishi Vikas Yojana).

(iii) Fund made available under the Centrally Sponsored Programmes to enable taking up of agriculture re-construction programme.

(iv) Additional *ad-hoc* monthly allocation of foodgrains for Above Poverty Line (APL) category under Public Distribution System (PDS) to drought affected States, for October to December, 2009 was made.

(v) A scheme of Diesel Subsidy for drought and deficit rainfall affected areas was announced for the drought affected States and districts with deficit rainfall of more than 50% as on 15th July, 2009, for the period upto 30/9/09. The scheme was subsequently relaxed to include areas with prolonged dry-spell for any continuous 15 days period starting from 15.7.2009 for those areas with scanty rainfall (-60% or more).

Discussion on protectionism in G-20

2034. DR. T. SUBBARAMI REDDY:
MS. MABEL REBELLO:

Will the Minister of FINANCE be pleased to state:

(a) whether the Prime Minister urged the participants of G-20 Meeting to shun protectionism;

(b) whether G-20 summit has laid ground work for long term prosperity and financial reforms;

(c) the other main points that were discussed during the summit and to what extent these measures helped India to improve economy;

(d) to what extent the suggestions made by the Prime Minister in G-20 have been welcomed by all; and

(e) the overall outcome of the talks held?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Yes sir.

(b) Yes sir.

(c) Statement is laid on the table on the house.

(d) The Statements made were generally welcomed by all the G-20 countries.

(e) This is contained in the statement laid at (c) above.

Statement on the points that were discussed during the summit and to what extent these measures helped India to improve economy:

In the Pittsburgh Summit the following issues were discussed:

1. Framework for strong, sustainable and balanced growth.
2. Progress and priorities on strengthening the International Financial Regulatory Systems
3. Reforms in the International Financial Institutions
4. Food, fuel and Finance for the poor of the world
5. Energy Efficiency and climate change
6. Putting Quality jobs at the heart of the recovery
7. An open Global Economy
8. Future role of the G-20

The G-20 countries agreed for a framework for strong, sustainable and balanced growth and a mutual assessment process to assess whether policies are consistent with the shared objectives. In addition, the countries agreed to continue the stimulus till recovery is assured.

There was a renewal of the commitment to carry on the strengthening of the International Financial Regulatory System and not return to the scenario of banking as usual. To this end the G-20 countries agreed to act together to raise capital standards, implement strong international compensation standards aimed at ending practices that leads to excessive risk taking, improve over the counter derivative markets, and to create powerful tools to hold large global firms to account for the risks that they take.

The Leaders agreed for an at least 5 percent shift in quotas to dynamic emerging market and developing countries in the IMF by January 2011. The Leaders also agreed for a similar shift of at least 3 percent in voting power in the world Bank for developing and transition countries by the 2010 Spring Meetings.

The Leaders also agreed to take new steps to increase access of the world's poor to food, fuel and finance and to rationalise and phase out over the medium term inefficient fossil fuel subsidies that encourage wasteful consumption while providing targeted support (for fuel) for the poorest. In addition, the Leaders agreed to promote energy market transparency and market stability as part of a broad effort to avoid excessive volatility.

There was agreement that G-20 countries will fight protectionism and aim for a successful conclusion of the Doha Round as also reach agreement in Copenhagen through the UNFCCC negotiations.

One of the other major outcomes of the Pittsburgh Leaders' Summit has been to make the G-20 the premier multilateral forum for global economic cooperation.

Major benefits of India:

Indian Economy's return to trend growth also depends on the turnaround in the economy of the developed countries. Commitment to continue the stimulus till recovery is assured (and thereby avoid the risk of double dip) coupled with the pledge to shun protectionism will help the Indian economy through the trade channel.

The framework for strong sustainable and balanced growth while covering all G-20 countries will also bring the actions and policies of systemically important economies under multilateral mutual assessment and will help all as actions/policies that encourage global imbalances (including development imbalances) will be subject matter for debate and corrections.

The steps for strengthening the International Financial Regulatory Systems are aimed at avoiding another financial crisis and this will help in the long run by avoiding the volatility of capital flows that follows a financial crisis. In addition, the international policy development will help in making the Indian Financial Regulatory Systems further strong.

The shift in quotas in the IMF and of the voice and representation in the World Bank in favour of the dynamic emerging markets and the developing countries will also benefit India and correct to some extent the legitimacy and governance deficit in these international financial institutions.

The primacy of the UNFCCC for the climate change negotiations has been confirmed by the Leaders and this reinforces the positions of the developing countries in the negotiations. On the energy front, increasing market transparency and market stability for achieving the objective of avoiding excessive volatility will be of immense help as India imports a large amount of fossil fuel.

Reforms in banking sector

2035. SHRI V. HANUMANTHA RAO:
DR. T. SUBBARAMI REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government is considering far reaching reforms in banking sector including giving banks freedom to open branches in Tier 3 and Tier 4 cities and granting 15 new licences to smaller banks for first time in almost 11 years;

(b) whether Prime Minister also has discussed several reforms measures with the RBI Governor;

(c) whether Prime Minister also discussed idea of giving foreign banks full national treatment by suggesting that the incorporate in India as wholly owned subsidiaries; and

(d) if so, by what time a final decision in this regard will be taken and to what extent banking reforms planned have been implemented?